

**BRISTOL COUNTY WATER AUTHORITY
LEGISLATIVE STUDY COMMITTEE MEETING
TUESDAY, NOVEMBER 29, 2011
7:00 O'CLOCK PM
WARREN TOWN HALL**

The Bristol County Water Authority Legislative Study Committee, State of Rhode Island in Bristol County met on Tuesday, the 29th day of November, 2011 the meeting began at 7:00 PM.

Present: Warren Town Councilor Scott Lial, Bristol Town Councilor Antonio Teixeira, Barrington Councilor William DeWitt, Warren Resident Raymond Palmieri, Sr., Barrington Resident William Kolb, Bristol Resident Carolyn Medina and BCWA Representative Joseph Granata.

Enabling Legislation

The committee recommends the following amendments to P.L. 1970, Ch. ?, as amended by P.L. 1981, Ch. 102:

1. Language should be added to Section 1 of P.L. 1981, Ch. 102 to clarify whether that statute repeals P.L. 1970, Ch. ? in its entirety.

Even though Section 1 of Chapter 102 states that the prior statute has been “amended in its entirety”, the committee is not sure if this

means that the prior statute has been repealed in its entirety. Therefore, to dispel any ambiguities, the committee recommends that Chapter 102 be amended to clarify this situation.

2. Language should be added to the end of Section 7(a) of Chapter 102 to state that directors may be removed by a majority vote of the local governing bodies.

Even though Section 7(a) alludes to the fact that directors may be removed by the local governing bodies, the statute provides no mechanism for removal. Therefore, the committee recommends that a majority vote shall be sufficient to remove a director. In line with this, the committee also recommends that each governing body develop a list of criteria which it expects its directors to satisfy in order to remain on the board and that this list be used to remove a director if and when the criteria are not satisfied. The committee felt that it would be best to leave the list of criteria up to each of the local governing bodies to develop.

3. Section 7 (a) should be amended to state, after the third full sentence, that no director may serve for more than three terms total in his or her lifetime.

The committee believes that, to avoid cronyism and to inject new ideas and energy into the board from time to time, it is necessary to limit the number of terms that directors may serve. Therefore, the

committee recommends no more than three terms total per lifetime for each director.

4. Section 7(d) should be amended to state that an affirmative vote of only six (6) directors is necessary to undertake any of the activities listed in this section of Chapter 102 as long as there is at least one vote from a director of each town.

The committee believes that with better and stricter oversight of directors, a super majority of seven (7) directors for the activities outlined in Chapter 102, Section 7(d) is not necessary. Therefore, the committee recommends a majority of two thirds, i.e., six, should be required for those activities with the proviso that there should be at least one vote from each town.

5. Section 7(c) should be amended to state that both the chairman and vice chairman should be selected by the board and that both should come from different towns.

The committee felt that, in order to avoid cronyism, the chairman should not be permitted to select the vice chairman. Therefore, the committee recommends that both positions be filled by the board and that each position be filled by someone from a different town.

6. Section 7 (c) should be amended to state, after the second full sentence, that no director may serve as chairman or vice chairman

for more than three years total per position in his or her lifetime.

Again, to avoid cronyism and to inject new energy and ideas, the committee felt that it was important to impose term limits with respect to the positions of chairman and vice chairman.

7. The language in the first sentence of Section 7(a) which states that no more than two directors may be from the same political party should be deleted and replaced with language which states that directors should be selected on the basis of qualifications with no regard for political affiliation.

Although politics may be part of the process of selecting directors, the committee felt it is more important to place the emphasis on qualifications rather than political affiliation, particularly since an otherwise unqualified person may be selected simply because he or she is from another political party. Therefore, the committee recommends that the language pertaining to political affiliation be replaced with language pertaining to qualifications.

8. Section 7 should be amended to state, most likely in a new subsection (k), that before rates are changed, one or more hearings must be held to which the public is invited for comment and that notice of these hearings should be advertised in the local newspapers of all three towns, as well as on the internet, if possible, at least ten (10) but not more than fourteen (14) days prior to each

hearing.

The committee feels that the rate making process must be made much more transparent and that the public must be permitted much more involvement before rates are changed, particularly, in light of the fact that applications for rate changes by the authority are not subject to review by the PUC. Therefore, the committee recommends that before rates are changed that one or more hearings be held to which the public is invited for comment and that notice of these hearings be published in the local newspapers in each community as well as on the internet at least ten (10) to fourteen (14) days in advance.

9. Section 6(a)(13) should be amended to state that by-laws of the authority may be amended by a vote of two thirds of the directors.

The committee believes that it is unnecessary to have a unanimous vote of all directors to amend the by-laws of the authority particularly if there is more oversight of directors by the town councils. Therefore, the committee recommends that only a two thirds majority be required to amend the by-laws of the authority.

10. Section 7 should be amended, most likely in a new subsection (I), to state that before legal or other professional services are retained by the authority, the authority must be required to solicit competitive proposals based on a scope of services defined by the authority.

That new section should also state that selection should be based on cost as well as on qualifications and that retention cannot exceed three (3) years without going out for new competitive proposals.

The committee feels that, in light of keeping rates as low as possible, all costs must be controlled including that for professional services. Therefore, the committee recommends that before outside professional services are retained, the authority must be required to solicit competitive bids and that selection must be based not just on qualifications but on cost as well. The committee also feels that no professional services should be engaged for more than three years at any one time without going out for new competitive proposals.

By-Laws

The committee recommends the following amendments to the by-laws:

1. Article V should be amended to state that the executive director may not engage in collective bargaining on behalf of the authority.

The committee believes that the executive director has a conflict of interest with respect to collective bargaining since he is directly affected by the outcome. Therefore, the committee recommends that the executive director not be permitted to engage in collective bargaining on behalf of the authority.

2. Article I, Section 3(c) should be amended to state that in the event of the absence of the executive director, someone from the authority, such as the manager of accounting and MIS or manager of marketing, be selected to act in his place and not the chairman of the board. The committee also recommends that that person should be selected by the executive director but in the event that person is also absent that the board select someone to act in the executive director's place until the executive director or the person selected by the executive director is available to fulfill the executive director's duties.

The committee believes that a clear delineation must be made between the board and the authority with respect to the daily operations of the authority, i.e., only the employees of the authority should be involved in running the authority on a day to day basis. Therefore, the committee recommends that anytime the executive director is not available to perform his functions on a daily basis, someone from the authority and not the board should be appointed to take his place.

3. Article I, Section 3 should be amended, most likely with a new sub paragraph (f) to state that the authority shall update its organizational chart, at least on a yearly basis, and that job descriptions for all positions at the authority should be created and updated on a yearly basis as well.

Again, as a way of delineating the duties of the board from those of the employees of the authority, the committee recommends that the organizational chart and job descriptions for all people who work at the authority be created and updated on a yearly basis.

4. All sections of the by-laws, particularly Article I, must be amended to make it clear that on a day to day basis, the only people charged with responsibility for running the authority are the employees themselves and not members of the board.

The committee feels that the line between the authority and the board is too blurred with respect to the daily operations of the authority. Therefore, the committee recommends that all ambiguities in the by-laws with respect to the daily operations of the authority must be cleared up to reflect that it is only the employees and not the board who run the authority on a daily basis.